

FLORIDA PUBLIC SERVICE COMMISSION

Item 5

VOTE SHEET

March 5, 2019

FILED 3/5/2019
DOCUMENT NO. 01493-2019
FPSC - COMMISSION CLERK

Docket No. 20180061-EI – Petition for limited proceeding to recover incremental storm restoration costs, by Florida Public Utilities Company.

Issue 1: What is the appropriate baseline from which incremental costs are derived?

Recommendation: This issue has been rendered moot for this particular case by the stipulation of Issues 2, 5, and 6.


APPROVED


COMMISSIONERS ASSIGNED: All Commissioners


COMMISSIONERS' SIGNATURES

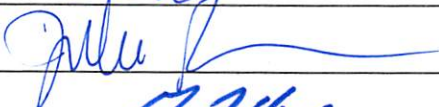
MAJORITY


DISSENTING











REMARKS/DISSENTING COMMENTS:

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Issue 2: In undertaking storm-recovery activities, was the payroll expense Florida Public Utilities Company (“FPUC”) has requested to include for storm recovery reasonable and prudent, in incurrence and amount? If not, what amount should be approved?

Stipulated Position: OPC does not object to FPUC's request to recover \$122,857 in incremental payroll costs. The amount identified by FPUC as "extra compensation" in the amount of \$69,632 remains in dispute and is the subject of Issue 3.

APPROVED

Issue 3: Is the "extra compensation" included as part of the Inclement Weather Exempt Employee Compensation submitted for recovery by FPUC an allowable cost under Rule 25-6.0143, Florida Administrative Code?

Recommendation: Yes, the “extra compensation” of \$69,632 submitted for recovery by FPUC is an allowable cost under Rule 25-6.0143, F.A.C.

APPROVED

Issue 4: Stricken by Order No. PSC-2018-0404-PCO-EI.

Issue 5: In undertaking storm-recovery activities, were the benefit costs requested by FPUC for storm recovery reasonable and prudent, in incurrence and amount? If not, what amount should be approved?

Stipulated Position: OPC does not object to FPUC's request to recover benefit costs in the amount of \$38,424.

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Issue 6: In undertaking storm-recovery activities, were the overhead costs requested by FPUC for storm recovery reasonable and prudent, in incurrence and amount? If not, what amount should be approved?

Stipulated Position: OPC does not object to FPUC's request to recover overhead costs in the amount of \$22,856.

APPROVED

Issue 8: In connection with the restoration of service associated with electric power outages affecting customers as a result of Hurricanes Matthew and Irma, were the contractor costs associated with standby time, mobilization time, and demobilization time paid by FPUC for storm-recovery activities reasonable and prudent, in incurrence and amount? If not, what amount should be approved?

Recommendation: The contractor costs associated with standby time, mobilization time, and demobilization time are reasonable and were prudently incurred. Therefore, no adjustment should be made to contractor time.

APPROVED

Issue 9: In undertaking storm-recovery activities associated with Hurricanes Matthew and Irma, were the contractor costs FPUC has included for storm recovery reasonable and prudent, in incurrence and amount? If not, what amount should be approved?

Recommendation: The original contractor costs of \$2,148,743 should be reduced by \$170,452. The remaining contractor costs of \$1,978,291 are reasonable and were prudently incurred by FPUC and these costs should be approved for recovery.

APPROVED

Issue 10: Stricken by Order No. PSC-2018-0404-PCO-EI.

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Issue 11: In connection with the restoration of service associated with storm-related electric power outages affecting customers, were the line clearing costs FPUC included for storm recovery reasonable and prudent, in incurrence and amount? If not, what amount should be approved?

Recommendation: The original line clearing costs of \$261,431 should be reduced by \$163,707. The remaining line clearing costs of \$97,724 are reasonable and were prudently incurred by FPUC and should be approved for recovery.

APPROVED

Issue 12: In connection with the restoration of service associated with storm-related electric power outages affecting customers, were the vehicle and fuel costs FPUC included for storm reasonable and prudent, in incurrence and amount? If not, what amount should be approved?

Recommendation: The vehicle and fuel costs of \$34,231 are reasonable and were prudently incurred by FPUC and should be approved for recovery.

APPROVED

Issue 13: In connection with restoration of service associated with storm-related electric power outages affecting customers, were the material and supply costs FPUC included for storm recovery reasonable and prudent, in incurrence and amount? If not, what amount should be approved?

Recommendation: The original material and supply costs of \$56,495 should be increased by \$32,800. The total amount of \$89,295 for material and supply costs are reasonable and were prudently incurred by FPUC and should be approved for recovery.

APPROVED

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Issue 14: In connection with the restoration of service associated with storm-related electric power outages affecting customers, were the logistic costs FPUC included for storm recovery reasonable and prudent, in incurrence and amount? If not, what amount should be approved?

Recommendation: The original requested logistic costs of \$245,705 should be reduced by \$4,155 due to the lack of evidence in the record. The remaining logistic costs of \$241,550 are reasonable and were prudently incurred by FPUC, and should be approved for recovery.

APPROVED

Issue 15: In connection with the restoration of service associated with storm-related electric power outages affecting customers, were the costs identified by FPUC as “Normal Expenses Not Recovered in Base Rates” and included as “other operating expenses” reasonable and prudent, in incurrence and amount? If not, what amount should be made?

Recommendation: No, the costs identified by FPUC as “Normal Expenses Not Recovered in Base Rates” in the amount of \$67,548 are not reasonable and prudent for storm surcharge recovery and should be disallowed.

APPROVED

Issue 16: What is the correct amount to be included in storm recovery to replenish the level of FPUC’s storm reserve?

Recommendation: The appropriate amount of storm recovery to replenish the level of FPUC’s storm reserve to \$1.5 million is \$1,927,648.

APPROVED

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Issue 17: What is the total amount of storm-related costs and storm reserve replenishment FPUC is entitled to recover?

Recommendation: The appropriate amount to recover prudently incurred storm restoration costs of \$427,648 and to replenish the level of FPUC's storm reserve to \$1.5 million is \$1,927,648.

APPROVED

Issue 18: Should the Commission approve Florida Public Utilities Company's proposed tariff and associated charge?

Recommendation: No. If the Commission approves Issue 17, the Commission should give staff administrative authority to approve the revised tariff and associated storm recovery surcharge that implement the Commission vote regarding FPUC's storm-related costs and storm reserve replenishment. FPUC should file the revised tariff and associated charge within seven days of the Commission's vote. The storm recovery surcharge should be effective with the first billing cycle for April 2019 through the last billing cycle for March 2021 (two-year recovery period).

APPROVED

Issue 19: If applicable, how should any under-recovery or over-recovery be handled?

Recommendation: At the end of the storm restoration surcharge period, the actual amount recovered through the surcharge should be compared to the appropriate amount approved by the Commission, and a determination made whether any under/over recovery has occurred. The disposition of any over/under recovery, and associated interest, should be considered by the Commission at a later date.

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Issue 20: Should the docket be closed?

Recommendation: No, this docket should remain open until a determination has been made at the end of the storm restoration surcharge period regarding whether any under/over recovery has occurred. The disposition of any under/over recovery should be considered by the Commission, and the docket closure should be determined at that time.

APPROVED